

Directors of GM of the aggregate number of GM Notional Shares pursuant to this Agreement, GM shall provide written notice thereof to EchoStar (which notice shall include the computation thereof):

(ii) "Greater Spinco Preference Share Exchange" means the distribution by GM to the holders of the GM Series H Preference Stock of shares of Hughes Preference Stock having all of the rights, features and other attributes of Greater Spinco Preference Shares (as defined below), such that all of the outstanding shares of GM Series H Preference Stock shall be canceled in accordance with the terms of the GM Certificate of Incorporation, including the Certificate of Designations relating to the GM Series H Preference Stock;

(iii) "Greater Spinco Preference Shares" shall have the meaning set forth in Section 6(iii)(d)(II) of the Certificate of Designations relating to the GM Series H Preference Stock constituting part of the GM Certificate of Incorporation;

(iv) "Hughes Class C Common Stock Exchange" means (A) the pro rata distribution to the holders of GM Class H Common Stock of shares of Hughes Class C Common Stock representing their proportionate economic interest in Hughes in exchange for all of the outstanding shares of GM Class H Common Stock (i.e., the distribution of one share of Hughes Class C Common Stock in exchange for each outstanding share of GM Class H Common Stock) such that all of the outstanding shares of GM Class H Common Stock shall be redeemed and canceled in accordance with the terms of the GM Certificate of Incorporation, as amended pursuant to the GM Charter Amendment, and (B) in the event that the number of shares of Hughes Class C Common Stock that would be issuable in order to represent the GM Notional Shares determined as of immediately prior to the Spin-Off Effective Time (and after giving effect to the adjustment to the Denominator in connection with the Hughes Recapitalization as contemplated by Section 1.1(b) of the GM/Hughes Separation Agreement) is greater than zero, the retention by GM, or, immediately following the redemption of shares of GM Class H Common Stock in exchange for shares of Hughes Class C Common Stock as described in clause (A) above, the distribution by GM by means of a dividend to the holders of GM \$1-2/3 Common Stock, of all or a portion of the remaining shares of Hughes Class C Common Stock held by GM as of such time, as contemplated by Section 5.2(h) below; and

(v) "Spin-Off Effective Time" means the effective time of the Hughes Class C Common Stock Exchange in accordance with the GM Certificate of Incorporation, as amended pursuant to the GM Charter Amendment and Applicable Law.

Section 1.5. Effects of the Spin-Off. From and after the Spin-Off Effective Time, the Spin-Off shall have the effects specified in DGCL Sections 151 and 173 (as applicable) and set forth in this Agreement.

(a) Exchange of Hughes Class C Common Stock for GM Class H Common Stock.

At and as of the Spin-Off Effective Time, by virtue of the Spin-Off and without any action on the part of GM, Hughes, any holder of capital stock of GM or any other Person (as defined below), (i) for all purposes of determining the record holders of Hughes Class C Common Stock, the holders of record of GM Class H Common Stock as of immediately prior to the Spin-Off Effective Time shall be deemed to be holders of the shares of Hughes Class C Common Stock distributed to such holders pursuant to the Hughes Class C Common Stock Exchange and (ii) subject to any transfer of such stock, each such holder shall be entitled to receive all dividends payable on, and exercise voting rights and all other rights and privileges with respect to, the shares of Hughes Class C Common Stock distributed to such holder pursuant to the Hughes Class C Common Stock Exchange.

(b) Distribution With Respect to GM \$1-2/3 Common Stock.

In the event that GM effects the Remaining Shares Distribution (as defined below and as contemplated by Section 5.2(h) of this Agreement), then, at and as of the Spin-Off Effective Time, by virtue of the Spin-Off and without any action on the part of GM, Hughes, any holder of capital stock of GM or any other Person, (i) for all purposes of determining the record holders of Hughes Class C Common Stock, the holders of record of GM \$1-2/3 Common Stock as of immediately prior to the Spin-Off Effective Time shall be deemed to be holders of the shares of Hughes Class C Common Stock distributed to such holders pursuant to the Hughes Class C Common Stock Exchange and (ii) subject to any transfer of such stock, each such holder shall be entitled to receive all dividends payable on, and exercise voting rights and all other rights and privileges with respect to, the shares of Hughes Class C Common Stock distributed to such holder pursuant to the Hughes Class C Common Stock Exchange.

(c) Exchange of Greater Spinco Preference Shares for GM Series H Preference Stock.

In accordance with the terms of the GM Certificate of Incorporation, including the Certificate of Designations relating to the GM Series H Preference Stock, GM shall, provided that the GM Series H Preference Stock shall not have been previously converted, redeemed or otherwise canceled pursuant to the Certificate of Designations relating to the GM Series H Preference Stock, pursuant to the Greater Spinco Preference Share Exchange, make a distribution to the holders of the GM Series H Preference Stock of Hughes Preference Stock having all of the rights, features and other attributes of Greater Spinco Preference Shares such that all of the outstanding shares of GM Series H Preference Stock shall be canceled. At and as of the Spin-Off Effective Time, by virtue of the Spin-Off and without any action on the part of GM, Hughes, any holder of capital stock of GM or any other Person, (i) for all purposes of determining the record holders of Hughes Preference Stock, the holders of record of GM Series H Preference Stock as of immediately prior to the Spin-Off Effective Time shall be deemed to be holders of Hughes Preference Stock distributed to such holders pursuant to the Greater Spinco Preference Share Exchange and (ii) subject to any transfer of such stock, each such holder shall be entitled to receive all dividends payable on, and exercise voting rights and all other rights and privileges with respect to, Hughes Preference Stock distributed to such holder pursuant to the Greater Spinco Preference Share Exchange.

(d) Treasury Shares. At and as of the Spin-Off Effective Time, by virtue of the Spin-Off, without any action on the part of GM, Hughes, any holder of capital stock of GM or any other Person, each share of GM Class H Common Stock owned by GM as of immediately prior to the Spin-Off Effective Time shall be canceled and retired, and no payment or distributions shall be made in respect thereof.

Section 1.6. Cooperation of Transfer Agents; Stockholder Records; GM Class H Common Stock Certificates.

(a) Cooperation. GM shall cooperate, and shall instruct Fleet National Bank, N.A., in its capacity as the transfer agent for the GM Class H Common Stock (the "GM Transfer Agent"), to cooperate fully with Hughes and the transfer agent for the Hughes Class C Common Stock (the "Hughes Transfer Agent"), and Hughes shall cooperate, and shall instruct the Hughes Transfer Agent to cooperate fully with GM and the GM Transfer Agent in connection with the Spin-Off and all related matters, including those matters relating to (i) the issuance and delivery of certificates representing, or other evidence of ownership of (any such instruments, "Certificates"), the shares of Hughes Class C Common Stock to be distributed in exchange for all of the shares of GM Class H Common Stock outstanding as of immediately prior to the Spin-Off Effective Time as described in Section 1.5(a) above, (ii) the issuance and delivery of Certificates evidencing the shares of Hughes Class C Common Stock to be retained by GM, if any, and/or distributed to holders of GM \$1-2/3 Common Stock as described in Section 1.5(b) above, and (iii) the issuance and delivery of Certificates evidencing the shares of Hughes Preference Stock to be distributed in exchange for all of the shares of GM Series H Preference Stock outstanding as of immediately prior to the Spin-Off Effective Time as described in Section 1.5(c) above. GM and Hughes shall jointly instruct the GM Transfer Agent and the Hughes Transfer Agent to cooperate with each other such that the Hughes Transfer Agent shall distribute letters of transmittal, in form reasonably satisfactory to each of GM and Hughes, to all holders of GM Class H Common Stock and GM Series H Preference Stock as of immediately prior to the Spin-Off Effective Time in connection with the exchange of Certificates evidencing shares of GM Class H Common Stock and GM Series H Preference Stock for Certificates evidencing shares of Hughes Class C Common Stock and Hughes Preference Stock, respectively.

(b) Following the Spin-Off Effective Time, GM shall instruct the GM Transfer Agent to deliver to the Hughes Transfer Agent true, correct and complete copies of the transfer records reflecting the record holders of GM Class H Common Stock and GM Series H Preference Stock, in each case as of immediately prior to the Spin-Off Effective Time. Upon the reasonable request of Hughes from time to time after the Spin-Off Effective Time in connection with any legitimate corporate purpose, GM shall cooperate, and shall instruct the GM Transfer Agent to cooperate, in providing Hughes reasonable access to all historical share, transfer and dividend payment records with respect to the holders of GM Class H Common Stock and GM Series H Preference Stock as of immediately prior to the Spin-Off Effective Time.

(c) Return or Destruction of GM Class H Common Stock Certificates. GM and Hughes shall use commercially reasonable efforts to enter into an agreement with the Hughes Transfer Agent relating to the exchange of Certificates of Hughes Class C Common Stock for Certificates of GM Class H Common Stock in connection with the Spin-Off, which shall include provisions reasonably satisfactory to GM and Hughes generally to the effect that following such time as any Certificates of GM Class H Common Stock are surrendered to the Hughes Transfer Agent for cancellation, Hughes shall use commercially reasonable efforts to cause the Hughes Transfer Agent to certify as to their destruction or promptly deliver such Certificates of GM Class H Common Stock to GM, as may be requested by GM.

Section 1.7. Closing of Transfer Records. From and after the Spin-Off Effective Time, transfers of shares of GM Class H Common Stock or GM Series H Preference Stock outstanding prior to the Spin-Off Effective Time shall not be made on the stock transfer books of GM.

Section 1.8. Cancellation. From and after the Spin-Off Effective Time, (a) each holder of a Certificate or Certificates formerly representing shares of GM Class H Common Stock will thereafter cease to have any rights with respect to such shares, and such Certificates will represent the shares of Hughes Class C Common Stock distributed in the Spin-Off and (b) each holder of Certificates formerly representing shares of GM Series H Preference Stock will thereafter cease to have any rights with respect to such shares, and such Certificates will represent the Greater Spinco Preference Shares distributed in the Spin-Off.

Section 1.9. Treatment of Stock Options, LTAP Awards and Restricted Stock Units.

(a) Prior to the Spin-Off Effective Time, in order to preserve the economic interest and cost to exercise with respect to each employee stock option to purchase GM Class H Common Stock, GM and Hughes shall take all such actions as may be necessary to cause each such unexpired and unexercised option, whether or not vested or exercisable, under stock option plans of GM or Hughes with respect to GM Class H Common Stock (each, an "Option") to be automatically converted at the Spin-Off Effective Time into an option (an "Exchange Option") to purchase, on the same terms and conditions as were applicable to each such Option immediately before the Spin-Off Effective Time, (i) the same number of shares of Hughes Class C Common Stock as the holder of such Option would have been entitled to purchase had such holder exercised each such Option in full immediately prior to the Spin-Off Effective Time and (ii) at a price per share equal to the per share exercise price for the Option immediately prior to the Spin-Off Effective Time; provided, however, that in the case of any Option to which Section 421 of the Code applies by reason of its qualification under Section 422 of the Code, the conversion formula shall be adjusted, if necessary, to comply with Section 424(a) of the Code. In connection with the issuance of Exchange Options, Hughes shall (i) reserve for issuance the number of shares of Hughes Class C Common Stock that will become subject to Exchange Options pursuant to this Section 1.9 and (ii) from and after the Spin-Off Effective Time, upon exercise of Exchange Options, make available for issuance all shares of Hughes Class C Common Stock covered thereby, subject to the terms and conditions applicable thereto.

(b) Prior to the Spin-Off Effective Time, in order to preserve the economic interest and cost to fund with respect to the Hughes Long-Term Achievement Plan (the "LTAP"), GM and Hughes shall take all such actions as may be necessary to cause, effective as of the Spin-Off Effective Time, (i) any portion of a payment under the LTAP which is payable in shares of GM Class H Common Stock to be payable in the same number of shares of Hughes Class C Common Stock (and not shares of GM Class H Common Stock), and (ii) any portion of a payment under the LTAP which is payable in shares of GM \$1-2/3 Common Stock to be payable in a number of shares of Hughes Class C Common Stock (and not shares of GM \$1-2/3 Common Stock) determined pursuant to the following formula: the number of shares of GM \$1-2/3 Common Stock that would otherwise be payable shall be multiplied by the ratio of (x) the average of the daily high and low trading prices of a share of GM \$1-2/3 Common Stock on the New York Stock Exchange ("NYSE") as quoted by a publicly available stock quotation service for the three (3) stock trading days ending on and including the fifth trading day before the date on which the Spin-Off Effective Time occurs, divided by (y) the average of the daily high and low trading prices of a share of GM Class H Common Stock on the NYSE as quoted by a publicly available stock quotation service for the three (3) stock trading days ending on and including the fifth trading day before the date on which the Spin-Off Effective Time occurs; provided, that any fractional share of Hughes Class C Common Stock payable in accordance with the calculation set forth in clause (ii) of this Section 1.9(b) shall be rounded to the nearest whole share of Hughes Class C Common Stock; provided, further, that any payment under the LTAP which will become payable in shares of Hughes Class C Common Stock pursuant to this Section 1.9(b) shall be payable on the same terms and conditions as were applicable to such payment immediately before the date of this Agreement. Hughes shall (i) reserve for issuance the number of shares of Hughes Class C Common Stock that will become payable under the LTAP pursuant to this Section 1.9 and (ii) from and after the Spin-Off Effective Time, with respect to any payment under the LTAP which is payable in shares of Hughes Class C Common Stock, make available for issuance all such shares of Hughes Class C Common Stock, subject to the terms and conditions applicable thereto.

(c) Restricted stock units with respect to GM Class H Common Stock and other incentive compensation awards payable in, or determined by reference to, shares of GM Class H Common Stock will be converted into an equal number of restricted stock units (or incentive compensation awards) with respect to Hughes Class C Common Stock.

(d) If and to the extent required by the terms of the LTAP, any awards under the LTAP, any applicable stock option plan or pursuant to the terms of any applicable Options or restricted stock units (or incentive compensation awards), GM and Hughes shall use commercially reasonable efforts to obtain the consent of each holder of outstanding Options or restricted stock units (or incentive compensation awards) to the treatment of such Options and restricted stock units (or incentive compensation awards), and such rights to payment under the LTAP, in accordance with this Section 1.9.

(e) Prior to the Spin-Off Effective Time, the Board of Directors of GM or an appropriate committee of non-employee directors thereof, or the Board of Directors of Hughes or an appropriate committee of non-employee directors thereof, as applicable, shall adopt a resolution consistent with the interpretive guidance of the SEC, so that the disposition of each Option and the acquisition of any shares of Hughes Class C Common Stock, any Exchange Options or any other equity securities or derivative securities of Hughes pursuant to this Agreement by each officer or director of GM or Hughes who may become subject to Section 16 of the Securities Exchange Act of 1934, as amended, and the rules and regulations promulgated thereunder (the "Exchange Act"), with respect to Hughes, shall be exempt for purposes of Section 16 of the Exchange Act.

(f) GM and Hughes shall take all such actions as may be necessary to prevent Options, interests in the LTAP, restricted stock units with respect to GM Class H Common Stock and other incentive compensation awards from being adjusted to change the number of shares or the purchase price of shares with respect to such awards (or triggering a payment obligation to such holders) as a result of the Hughes Recapitalization.

(g) Hughes shall not be obligated to deliver GM Class H Common Stock or Hughes Class A Common Stock (or otherwise fund any cost) with respect to the exercise of any Option which is held by an employee of GM or one of its Subsidiaries (other than Hughes and its Subsidiaries).

(h) GM, Hughes and each of Hughes' Subsidiaries (including PanAmSat and DTVLA) shall take all such actions as may be necessary to prevent stock options, restricted stock units or other incentive compensation awards granted to employees of Hughes or any of its Subsidiaries (including PanAmSat and DTVLA) after the signing of this Agreement from vesting or becoming exercisable as a result of, or in connection with, any of the transactions contemplated by this Agreement.

(i) To the extent provided in the Hughes Electronics Corporation Incentive Plan ("Hughes Incentive Plan"), options granted under the Hughes Incentive Plan will terminate upon the consummation of a Change in Control Event, as defined in the Hughes Incentive Plan, unless the GM Committee, as defined in the Hughes Incentive Plan, provides for the assumption, substitution or continuation of the options in accordance with the terms of the Hughes Incentive Plan. In consultation with EchoStar and Hughes, the GM Committee or its delegate (or any successor thereto under the terms of the Hughes Incentive Plan) shall, subject to Applicable Law and with the prior approval of EchoStar, exercise its authority pursuant to the terms of the Hughes Incentive Plan (including Section 7(c)(iii) thereof) to limit the period of exercisability of any stock option held by any employee who terminates employment for any reason after the Closing Date to not more than two years beyond the date of such termination of employment (but in no event beyond the term of the option). With respect to actions which are taken pursuant to this Section 1.9(i) by the GM Committee or its delegate with the approval of EchoStar, (i) neither of the Hughes Indemnitees nor the EchoStar Indemnitees shall be entitled to indemnification under

this Agreement from GM and (ii) the GM Indemnitees shall be entitled to indemnification under this Agreement by Hughes and EchoStar.

Section 1.10. GM Charter Amendment. The parties acknowledge that the filing of an appropriate amendment to the GM Certificate of Incorporation, substantially in the form attached as Exhibit H hereto with such additional changes as may be approved by the GM Board of Directors and are required in order to permit the declaration and payment by Hughes of a promissory note to a wholly owned subsidiary of GM (formed as a limited liability company) which shall hold, directly or indirectly, all of GM's interest in Hughes and the net income of which shall be included in the Available Separate Consolidated Net Income of Hughes (as defined in the GM Certificate of Incorporation) as contemplated by the provisions of the GM/Hughes Separation Agreement (the "GM Charter Amendment"), will be required in order to permit the reduction of the Denominator and to permit the Hughes Class C Common Stock Exchange, and that the GM Charter Amendment will be consummated only after obtaining the Requisite Stockholder Approval thereof as contemplated by this Agreement.

Section 1.11. Cooperation; Redemption of Hughes Preferred Stock; Hughes Charter Amendments. Consistent with the terms and conditions of this Agreement, each of GM and Hughes shall, and shall cause its affiliates to, cooperate with the other party in all respects to accomplish the Spin-Off and promptly take, or cause to be taken, any and all actions within its control necessary under Applicable Law, regulations and agreements in order to consummate and make effective the Spin-Off immediately prior to the Merger Effective Time.

(a) Without limiting the generality of the foregoing, pursuant to Article IV, Section 6(c) of the Amended and Restated Certificate of Incorporation of Hughes, as amended (the "Hughes Certificate of Incorporation"), Hughes shall take all actions within its control necessary to enable it to issue, as of immediately prior to the Spin-Off Effective Time, to GM for distribution to the holder of the GM Series H Preference Stock pursuant to the Greater Spinco Preference Share Exchange an appropriate number of shares of Hughes Preference Stock in redemption of all of the Hughes Series A Preferred Stock, par value \$0.10 per share (the "Hughes Series A Preferred Stock"), such that all of the outstanding shares of GM Series H Preference Stock shall be canceled as of the Spin-Off Effective Time as contemplated by Section 1.8 of this Agreement. The parties acknowledge that such actions, to the extent required to be taken, shall require the filing of an appropriate amendment to the Hughes Certificate of Incorporation.

(b) Each of GM and Hughes shall take all actions within its control legally required such that, as of immediately prior to the Spin-Off Effective Time, the Hughes Certificate of Incorporation shall have been amended and restated (pursuant to one or more amendments in forms to be mutually agreed by the parties hereto prior to the Mailing Date) to (i) authorize the Hughes Class A Common Stock (as defined in the Merger Agreement), the Hughes Class B Common Stock (as defined in the Merger Agreement) and the Hughes Class C Common Stock in accordance with the terms set forth as Exhibit A to the Merger Agreement, (ii) include the Certificate of Designations relating to the Hughes Preference Stock, in the form

attached hereto as Exhibit I, (iii) following the redemption of the Hughes Series A Preferred Stock, to eliminate the Hughes Series A Preferred Stock, (iv) to cause Hughes to elect not to be governed by Section 203 of the DGCL, and (v) to authorize the necessary series of capital stock in connection with the adoption of a stockholder rights plan as contemplated by Section 5.1(p) below. Each of GM and Hughes shall take all actions within its control legally required such that, as of immediately prior to the Spin-Off Effective Time, the By-laws of Hughes shall have been amended and restated to read in its entirety as mutually agreed among the parties hereto (as amended and restated, the "Hughes Amended and Restated By-laws", and together with the Hughes Certificate of Incorporation as amended and restated as contemplated herein, the "Hughes Charter Amendments").

Section 1.12. Further Assurances Regarding the GM Transactions. Consistent with the terms and conditions of this Agreement and the GM/Hughes Separation Agreement, each of the parties shall use commercially reasonable efforts (except where a different efforts standard is specifically contemplated by the GM Transaction Agreements (as defined below), the Hughes Transaction Agreements (as defined below) or the EchoStar Transaction Agreements (as defined below), in which case, such different standard shall apply) to promptly take, or cause to be taken, any and all actions, and do, or cause to be done, all things necessary under Applicable Law, regulations and agreements in order to consummate and make effective the GM Transactions, including the Spin-Off. Without limiting the generality of the foregoing, each of the parties shall cooperate with each other in all respects, and execute and deliver, or use commercially reasonable efforts (except where a different efforts standard is specifically contemplated by the GM Transaction Agreements, the Hughes Transaction Agreements or the EchoStar Transaction Agreements, in which case, such different standard shall apply) to cause to have executed and delivered, all instruments, including instruments of conveyance, assignment and transfer, which shall include appropriate representations, warranties and covenants, and to make all filings with, and to obtain all consents, approvals or authorizations of, any foreign, federal, state or local governmental or regulatory body, agency, instrumentality or authority ("Governmental Authority") which are reasonably requested by the other parties in order to consummate and make effective the GM Transactions, including the Spin-Off.

Section 1.13. Elimination of GM Class H Common Stock from GM Certificate of Incorporation. The parties acknowledge that it is GM's current intention, following the redemption of the outstanding GM Class H Common Stock in connection with the GM Transactions, to amend and restate the GM Certificate of Incorporation to eliminate the GM Class H Common Stock from the GM Certificate of Incorporation. At GM's election, GM may include in the GM Proxy/Consent Solicitation Statement a proposal to GM common stockholders to amend the GM Certificate of Incorporation in accordance with Applicable Law to eliminate the GM Class H Common Stock from the GM Certificate of Incorporation at any time determined by GM in its sole and absolute discretion (provided, that such time shall not be earlier than the time of the consummation of the redemption of the outstanding GM Class H Common Stock and provided, further, that the approval of such proposal by the GM common stockholders shall not be a part of the Requisite Stockholder Approval).

## ARTICLE 2

### REPRESENTATIONS AND WARRANTIES OF GM

In order to induce EchoStar to enter into this Agreement, GM hereby represents and warrants to EchoStar as follows, except as specifically described in GM's annual report on Form 10-K for the fiscal year ended December 31, 2000, GM's quarterly report on Form 10-Q for the fiscal quarter ended June 30, 2001 and all other reports, filings, registration statements and other documents filed by GM with the SEC after June 30, 2001 and prior to the date hereof (as such documents have been amended since the time of their filing and prior to the date hereof), all of which are of public record.

Section 2.1. Organization and Standing. GM is a corporation validly existing and in good standing under the laws of the State of Delaware, with all corporate power to carry on its business as now conducted. GM is duly qualified to do business and is in good standing (to the extent that such concepts or equivalent concepts are recognized in such jurisdictions) in each jurisdiction in which the nature of the business conducted by it or the property it owns, leases or operates makes such qualification necessary, except where the failure to be so qualified or in good standing in such jurisdiction could not reasonably be expected to have a material adverse impact on GM's ability to consummate the transactions contemplated by the GM Transaction Agreements, a Hughes Material Adverse Effect (as defined in the Merger Agreement) or a material adverse effect on Hughes' ability to consummate the transactions contemplated by the Hughes Transaction Agreements.

Section 2.2. Corporate Power and Authority. GM has (or will have prior to execution thereof) all requisite corporate power and authority to enter into the GM Transaction Agreements and to consummate the transactions contemplated thereby. The execution and delivery of the GM Transaction Agreements by GM, the execution and delivery of the Hughes Transaction Agreements by Hughes, and, subject to the recommendation of the GM Board of Directors in accordance with the provisions of Section 1.2 above and receipt of the Requisite Stockholder Approval, the consummation of the transactions contemplated by the GM Transaction Agreements and the Hughes Transaction Agreements to be effected by GM have been (or will be prior to execution and delivery thereof) duly authorized by all necessary corporate action on the part of GM. Each of the GM Transaction Agreements has been (or will be) duly executed and delivered by GM, and, assuming the due authorization, execution and delivery by the other parties thereto, constitutes (or will constitute when executed) the legal, valid and binding obligation of GM, enforceable against GM in accordance with its terms, except as enforceability may be limited by bankruptcy, similar laws of debtor relief and general principles of equity.

For the purposes of this Agreement, "GM Transaction Agreements" means this Agreement, the Stockholders Agreement (the "Stockholders Agreement") to be entered into by and among GM, Hughes and the EchoStar Controlling Stockholder concurrently with the execution and delivery of this Agreement, in the form attached hereto as Exhibit J, the Registration Rights Letter Agreement (the

"Registration Rights Letter Agreement") to be entered into by and among Hughes, GM, EchoStar, the EchoStar Controlling Stockholder and the GM Pension Plans (as defined below) (or a trustee therefor) concurrently with the execution and delivery of this Agreement, relating to the registration rights term sheet in the form attached hereto as Exhibit K, the GM Registration Rights Agreement to be entered into by and between Hughes and GM as contemplated by the Registration Rights Letter Agreement, the GM/Hughes Separation Agreement, the Supplemental Agreement, the Pledge Agreement, the GM/Hughes Tax Agreements, the GM/Hughes Intellectual Property Agreement, the GM/Hughes Special Employee Items Agreement (as defined in the GM/Hughes Separation Agreement), the Contribution and Transfer Agreement to be entered into by and among GM and the GM Pension Plans concurrently with the execution and delivery of this Agreement and all other agreements contemplated hereby or thereby to which GM is (or will be) a party.

Section 2.3. Conflicts, Consents and Approvals. The execution and delivery by GM of the GM Transaction Agreements, the execution and delivery by Hughes of the Hughes Transaction Agreements, and the consummation of the transactions contemplated by the GM Transaction Agreements and the Hughes Transaction Agreements will not:

(a) violate any provision of the GM Certificate of Incorporation (after giving effect to the GM Charter Amendment), the bylaws of GM, the GM Board Policy Statement, the Hughes Certificate of Incorporation, the Hughes By-laws (after giving effect to the Hughes Charter Amendments) or the certificate of incorporation or the bylaws of any of Hughes' Subsidiaries;

(b) violate, conflict with, or result in a breach of any provision of, or constitute a default (or an event which, with the giving of notice, the passage of time or both, would constitute a default) under, require the consent of any party under, or entitle any party (with the giving of notice, the passage of time or both) to terminate, accelerate, modify or call a default under, or result in the creation of any liens, pledges, security interests, preemptive rights, charges, restrictions, claims or other encumbrances of any kind or nature (collectively, "Encumbrances") upon any of the properties or assets of GM or any of its Significant Subsidiaries (as defined below), other than Hughes and its Subsidiaries, under any of the terms, conditions or provisions of any note, bond, mortgage, indenture, deed of trust, intellectual property or other license, contract, undertaking, agreement, lease or other instrument or obligation to which GM or any of its Significant Subsidiaries (other than Hughes and its Subsidiaries) is a party;

(c) violate any order, writ, injunction, decree, statute, rule or regulation applicable to GM or any of its Significant Subsidiaries (other than Hughes and its Subsidiaries); or

(d) except as contemplated by the GM Transaction Agreements or the Merger Agreement, require any consent or approval of, or registration or filing by GM or any of its Affiliates (other than Hughes and its Subsidiaries) with, any third party or Governmental Authority, other than (i) authorization for listing or quotation of the shares of Hughes Class C Common Stock and Hughes Class

A Common Stock to be issued in connection with the Spin-Off and the Merger, as applicable, on the NYSE or the Nasdaq Stock Market ("Nasdaq"), subject to official notice of issuance, (ii) actions required by the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended, and the rules and regulations promulgated thereunder (the "HSR Act"), and any similar laws of foreign jurisdictions, and (iii) registrations or other actions required under federal, state and foreign securities laws as are contemplated by this Agreement;

except in the case of (b), (c) and (d) for any of the foregoing that, in the aggregate, could not reasonably be expected to have a material adverse impact on GM's ability to consummate the transactions contemplated by the GM Transaction Agreements or a Hughes Material Adverse Effect or a material adverse effect on Hughes' ability to consummate the transactions contemplated by the Hughes Transaction Agreements.

(e) For the purposes of this Agreement, the following terms shall have the following meanings:

(i) "Subsidiary", with respect to a Person, means any corporation, limited liability company, partnership, trust or unincorporated organization of which securities or interests having by the terms thereof ordinary voting power to elect at least a majority of the board of directors or others performing similar functions with respect to such corporation, limited liability company, partnership, trust or unincorporated organization are directly or indirectly owned or controlled by such Person or by any one or more of its Subsidiaries, or by such Person and one or more of its Subsidiaries; and

(ii) "Significant Subsidiary" means a Subsidiary of a Person that would constitute a "significant subsidiary" within the meaning of Rule 1-02 of Regulation S-X of the Exchange Act, if such Rule were applicable to such Person.

Section 2.4. Ownership of Hughes Capital Stock. As of the date of this Agreement and through and until immediately prior to the Spin-Off Effective Time (i.e., not giving effect to the Hughes Class C Common Stock Exchange or the Greater Spinco Preference Share Exchange), each outstanding share of Hughes capital stock is and shall be owned by GM, free and clear of all Encumbrances.

Section 2.5. Capitalization; Class H Fraction.

(a) As of the date of this Agreement, GM's authorized capital stock consists of 2,000,000,000 shares of GM \$1-2/3 Common Stock; 3,600,000,000 shares of GM Class H Common Stock; 6,000,000 shares, no par value per share, of Preferred Stock ("GM Preferred Stock"); and 100,000,000 shares, \$0.10 par value per share, of Preference Stock ("GM Preference Stock") of which 2,669,633 shares are designated as GM Series H Preference Stock. As of October 25, 2001, (i) 555,503,649 shares of GM \$1-2/3 Common Stock were issued and outstanding, 200,795,732 shares of GM \$1-2/3 Common Stock were held by GM as treasury shares, 336,512 shares of GM \$1-2/3 Common Stock were reserved for issuance upon exercise of outstanding options and 27,093 shares of GM \$1-2/3 Common Stock were issuable with respect to awards under the LTAP; (ii) 876,982,994 shares of GM Class H Common Stock were issued and outstanding, 81,564,668 shares of GM Class H Common Stock were held by GM as treasury shares, 84,535 shares of GM Class H Common Stock were reserved for issuance upon exercise of outstanding options, 1,048,325 shares of GM Class H Common Stock were issuable with respect to awards under the LTAP and 139,293 shares of GM Class H Common Stock were issuable with respect to restricted stock or restricted stock units; (iii) no shares of GM Preferred Stock were issued and outstanding; and (iv) 2,669,633 shares of GM Series H Preference Stock were issued and outstanding and no shares of GM Series H Preference Stock were held by GM as treasury shares. Each outstanding share of GM capital stock, including the GM Class H Common Stock and the GM Series H Preference Stock, is duly authorized and validly issued, fully paid and nonassessable and has not been issued in violation of any preemptive or similar rights. GM has no authorized or outstanding bonds, debentures, notes or other obligations or securities, the holders of which have the right to vote with the stockholders of GM on any matter.

(b) Other than the GM Series H Preference Stock, any shares of GM Class H Common Stock to be issued pursuant to any GM Debt/Equity Exchange, as contemplated by the Merger Agreement or as set forth in Section 2.5(b) of the disclosure schedule delivered by GM to EchoStar and dated as of the date of this Agreement (the "GM Disclosure Schedule"), there are no outstanding subscriptions, options, warrants, puts, calls, agreements, understandings, claims or other commitments or rights of any type relating to the issuance, sale or transfer of any GM Class H Common Stock, nor are there outstanding any securities which are convertible into or exchangeable for any shares of GM Class H Common Stock and, except as expressly provided by the GM Transaction Agreements, GM has no obligation of any kind to issue any additional shares of GM Class H Common Stock or to pay for shares of GM Class H Common Stock. The issuance and sale of all of the shares of capital stock described in this Section 2.5, including the GM Class H Common Stock and the GM Series H Preference Stock, have been in compliance with federal and state securities laws. Section 2.5(b) of the GM Disclosure Schedule accurately sets forth the number of shares of GM Class H Common Stock issuable upon exercise of options to purchase shares of GM Class H Common Stock, and the exercise prices with respect thereto, along with a list of the options to purchase shares of GM Class H Common Stock held by each corporate

officer of GM and Hughes. Other than (i) the Restated Registration Rights Agreement, dated as of July 1, 2000, by and among GM, United States Trust Company of New York ("U.S. Trust"), as Trustee of the GM Special Hourly Employees Pension Trust established under the GM Hourly-Rate Employees Pension Plan, and U.S. Trust, as Trustee of the Sub-Trust of the GM Welfare Benefit Trust established under the GM Welfare Benefit Trust, a voluntary employees' beneficiary association trust established to fund certain collectively bargained hourly retiree health care benefits under the GM Health Care Program for Hourly Employees and certain collectively bargained hourly retiree life insurance benefits under the GM Life and Disability Benefits Program for Hourly Employees and such benefits under other applicable collectively bargained welfare plans, and certain related agreements and arrangements relating thereto (collectively, the "Current GM Pension Plans Registration Rights Agreement"), (ii) the Registration Rights Agreement, dated as of June 21, 1999, between GM and America Online, Inc. ("AOL"), and certain related agreements and arrangements relating thereto (collectively, the "AOL Registration Rights Agreement"), (iii) the Registration Rights Agreement, dated as of April 28, 1999, between GM and PRIMESTAR, Inc., and certain related agreements and arrangements relating thereto (collectively, the "PRIMESTAR Registration Rights Agreement") and (iv) the Registration Rights Letter Agreement, neither GM nor any GM Affiliate (as defined below) has entered into or agreed to enter into any contract, agreement or understanding (other than such other contracts, agreements or understandings contemplated by this Agreement, the Merger Agreement or the GM/Hughes Separation Agreement) that would require registration of any shares of GM Class H Common Stock under the Securities Act of 1933, as amended, and the rules and regulations promulgated thereunder (the "Securities Act") or under any state securities law or granted registration rights with respect to any shares of GM Class H Common Stock to any Person.

(c) As of September 30, 2001, the Numerator (as defined below) of the Class H Fraction was 876,948,420 and the Denominator of the Class H Fraction was 1,299,745,326, in each case with respect to the quarterly accounting period ended on such date. As of the date of this Agreement, the aggregate outstanding shares of GM Series H Preference Stock were convertible, at the option of the holder, into 24.1935 shares of GM Class H Common Stock for each share of GM Series H Preference Stock, which number reflects all required adjustments as of such date pursuant to the Certificate of Designations relating to the GM Series H Preference Stock (including adjustments to reflect the three-for-one stock split in respect of GM Class H Common Stock effected pursuant to a 200 percent stock dividend paid on June 30, 2000 to holders of record of GM Class H Common Stock as of June 13, 2000). On June 24, 2002, if not previously converted, redeemed or otherwise canceled pursuant to the terms of the Certificate of Designations relating to the GM Series H Preference Stock, subject to adjustment pursuant to the terms of the Certificate of Designations relating to the GM Series H Preference Stock in effect on the date of this Agreement, each share of GM Series H Preference Stock will automatically convert into a certain number (between 24.1935 and 30.0) of shares of GM Class H Common Stock determined pursuant to the provisions of the Certificate of Designations relating to the GM Series H Preference Stock. Upon any such conversion, assuming that GM Class H Common Stock remains outstanding as of such time, the numerator (the "Numerator") of the Class H Fraction will be increased to reflect such number of shares of GM Class H Common Stock issued upon conversion and the Denominator

of the Class H Fraction will be increased to reflect such number of shares of GM Class H Common Stock issued upon conversion.

(d) All dividends paid on the GM Series H Preference Stock have been declared by the Board of Directors of GM for payment on, and have been paid on, each Preferential Dividend Payment Date (as defined in the Certificate of Designations relating to the GM Series H Preference Stock) and there exist no accrued and unpaid dividends on the GM Series H Preference Stock, other than dividends which have accrued from or since the last Preferential Dividend Payment Date and which will be declared and paid on dates consistent with past practice.

Section 2.6. Litigation. Except as set forth on Section 2.6 of the GM Disclosure Schedule, there is no suit, claim, action, proceeding or investigation pending or, to the knowledge of GM, threatened against GM or any of its Significant Subsidiaries (other than Hughes and its Subsidiaries) or its or their properties which could reasonably be expected to have a material adverse impact on GM's ability to consummate the transactions contemplated by the GM Transaction Agreements or a Hughes Material Adverse Effect or a material adverse effect on Hughes' ability to consummate the transactions contemplated by the Hughes Transaction Agreements.

Section 2.7. Brokerage and Finder's Fees; Opinions of Financial Advisors.

(a) Except for obligations to the GM Financial Advisors and the Hughes Financial Advisors, neither GM nor any GM Affiliates, stockholders, directors, officers or employees has incurred or will incur on behalf of GM or any GM Affiliate, any brokerage, finder's or similar fee in connection with the transactions contemplated by the GM Transaction Agreements or the Hughes Transaction Agreements.

(b) The Board of Directors of GM has received the GM Financial Advisor Fairness Opinions. GM has heretofore provided a copy of such opinions to EchoStar for informational purposes only, and EchoStar acknowledges that it has no right to rely on such opinion. As of the date of this Agreement, such opinions have not been withdrawn, revoked or modified.

Section 2.8. Spin-Off/Merger Registration Statement, GM Proxy/Consent Solicitation Statement, EchoStar Information Statement and GM Debt/Equity Exchange Registration Statement. None of the information provided by or on behalf of GM or any GM Affiliate (except to the extent it constitutes information provided by or on behalf of Hughes or any Hughes Affiliate (as defined below)) for inclusion in (a) the Spin-Off/Merger Registration Statement, at the time it becomes effective, (b) the GM Proxy/Consent Solicitation Statement, at the date of mailing and at the date of voting or consent and approval with respect thereto, (c) the information statement of EchoStar to be distributed to EchoStar's common stockholders in connection with the Merger (as amended and supplemented from time to time, the "EchoStar Information Statement"), at the date of mailing, and (d) any GM Debt/Equity Exchange Registration Statement (as defined below), at the time it becomes effective, shall contain any untrue

statement of a material fact or omit to state any material fact required to be stated therein or necessary in order to make the statements therein, in light of the circumstances under which they are made, not misleading. The information in the Spin-Off/Merger Registration Statement, the GM Proxy/Consent Solicitation Statement, the EchoStar Information Statement and any GM Debt/Equity Exchange Registration Statement provided by or on behalf of GM or any GM Affiliate (except to the extent it constitutes information provided by or on behalf of Hughes or any Hughes Affiliate) will comply as to form in all material respects with the provisions of the Securities Act and the Exchange Act. No representation or warranty is made by GM in this Section 2.8 with respect to statements made or incorporated by reference therein based on information provided by or on behalf of Hughes or EchoStar for inclusion in the Spin-Off/Merger Registration Statement, the GM Proxy/Consent Solicitation Statement, the EchoStar Information Statement or any GM Debt/Equity Exchange Registration Statement. For the purposes of this Agreement, (i) "Spin-Off/Merger Registration Statement" means, collectively, the registration statement(s) on Form S-4, as amended from time to time, relating to the Hughes Class C Common Stock (and other Hughes securities, if applicable) to be distributed pursuant to the Spin-Off and the Hughes Class A Common Stock, Hughes Class B Common Stock and Hughes Class C Common Stock to be issued pursuant to the Merger, including any prospectus relating to the Hughes Class A Common Stock, Hughes Class B Common Stock or Hughes Class C Common Stock (and other Hughes securities, if applicable), as amended and supplemented from time to time, and including the GM Proxy/Consent Solicitation Statement, as amended and supplemented from time to time and the EchoStar Information Statement, as amended and supplemented from time to time, and (ii) "GM Debt/Equity Exchange Registration Statement" means the registration statement(s) on Form S-3 (or any other appropriate form), as amended from time to time, relating to shares of GM Class H Common Stock or Hughes Class C Common Stock, as applicable, to be issued in connection with any GM Debt/Equity Exchange, including any prospectus relating to the GM Class H Common Stock or Hughes Class C Common Stock, as amended and supplemented from time to time.

Section 2.9. Tax Representations. GM currently believes that it will be able to make any representations, warranties or covenants which are reasonably likely to be requested by the IRS (as defined below) in connection with the Ruling Request (as defined below).

Section 2.10. Requisite Approvals.

(a) The affirmative votes of the holders of each of (i) a majority of the voting power of all outstanding shares of GM \$1-2/3 Common Stock and GM Class H Common Stock, voting together as a single class based on their respective per share voting power pursuant to the provisions set forth in the GM Certificate of Incorporation, as amended, (ii) a majority of the outstanding shares of GM \$1-2/3 Common Stock, voting as a separate class, and (iii) a majority of the outstanding shares of GM Class H Common Stock, voting as a separate class, in each case to approve the GM Charter Amendment, the Hughes Recapitalization and all other aspects of the GM Transactions, including the Spin-Off (the

"Requisite Stockholder Approval"), are the only votes of the holders of any class or series of GM capital stock that will be obtained or are necessary in order to approve the GM Transactions.

(b) At a stockholder meeting held immediately after the approval of the Merger Agreement by the Hughes Board of Directors and the execution of the Merger Agreement, GM shall have, in its capacity as the sole stockholder of Hughes, adopted and approved the Merger Agreement (and the execution, delivery and performance thereof) and the transactions contemplated by the Hughes Transaction Agreements. No other vote or consent of the holders of any class or series of Hughes capital stock is necessary to approve and adopt the Merger Agreement.

Section 2.11. Agreement with GM Pension Plans. Pursuant to the Contribution and Transfer Agreement (the "GM Pension Plans Contribution and Transfer Agreement") to be entered into by and among GM and the GM Pension Plans, concurrently with the execution and delivery of this Agreement, U.S. Trust, as Trustee of the GM Special Hourly Employees Pension Trust established under the GM Hourly-Rate Employees Pension Plan, and U.S. Trust, as Trustee of the Sub-Trust of the GM Welfare Benefit Trust established under the GM Welfare Benefit Trust, a voluntary employees' beneficiary association trust established to fund certain collectively bargained hourly retiree health care benefits under the GM Health Care Program for Hourly Employees and certain collectively bargained hourly retiree life insurance benefits under the GM Life and Disability Benefits Program for Hourly Employees and such benefits under other applicable collectively bargained welfare plans (together, the "GM Pension Plans"), have agreed that, except as may be permitted under the terms of an IRS private letter ruling requested by GM after the Merger Effective Time and obtained in accordance with the terms of the GM Pension Plans Contribution and Transfer Agreement, prior to the first day after the second anniversary of the Spin-Off Effective Time, the GM Pension Plans will not enter into any agreement, understanding or arrangement or any substantial negotiations with respect to any disposition of GM Class H Common Stock, Hughes Class C Common Stock, or any successor security, except as expressly contemplated by the GM Transactions, and has provided a copy of the GM Pension Plans Contribution and Transfer Agreement to EchoStar.

### ARTICLE 3

#### REPRESENTATIONS AND WARRANTIES OF HUGHES

In order to induce EchoStar to enter into this Agreement, Hughes hereby represents and warrants to EchoStar as follows, except as specifically described in Hughes' annual report on Form 10-K for the fiscal year ended December 31, 2000 (the "Hughes 10-K"), Hughes' quarterly report on Form 10-Q for the fiscal quarter ended September 30, 2001 (the "Hughes 10-Q") and all other reports, filings, registration statements and other documents filed by Hughes with the SEC after September 30, 2001 and prior to the date hereof (as such documents have been amended since the time of their filing and prior to the date hereof), all of which are of public record.

Section 3.1. Organization and Standing. Each of Hughes and Hughes' Significant Subsidiaries is a corporation validly existing and in good standing under the laws of the State of Delaware, with respect to Hughes, and (to the extent such concepts or equivalent concepts are recognized in such jurisdictions) under the laws of its state or other jurisdiction of incorporation, with respect to Hughes' Significant Subsidiaries, in each case, with all corporate (and other) power to carry on its business as now conducted. Each of Hughes and Hughes' Subsidiaries is duly qualified to do business and is in good standing (to the extent that such concepts or equivalent concepts are recognized in such jurisdictions) in each jurisdiction in which the nature of the business conducted by it or the property it owns, leases or operates makes such qualification necessary, except where the failure to be so qualified or in good standing in such jurisdiction could not reasonably be expected to have a Hughes Material Adverse Effect or have a material adverse impact on its ability to consummate the transactions contemplated by the Hughes Transaction Agreements.

Section 3.2. Corporate Power and Authority. Hughes has (or will have prior to execution thereof) all requisite corporate power and authority to enter into the Hughes Transaction Agreements and to consummate the transactions contemplated thereby. The execution and delivery of each of the Hughes Transaction Agreements by Hughes and the consummation of the transactions contemplated thereby to be effected by Hughes, have been (or will be prior to execution and delivery thereof) duly authorized by all necessary corporate action on the part of Hughes. Each of the Hughes Transaction Agreements has been (or will be) duly executed and delivered by Hughes and assuming the due authorization, execution and delivery by the other parties thereto, constitutes (or will constitute when executed) the legal, valid and binding obligation of Hughes, enforceable against Hughes in accordance with its terms, except as enforceability may be limited by bankruptcy, similar laws of debtor relief and general principles of equity.

For the purposes of this Agreement, "Hughes Transaction Agreements" means this Agreement, the Merger Agreement, the PanAmSat Stock Purchase Agreement, the Merger Commitment, the Merger Financing Agreement, the Supplemental Agreement, the Stockholders Agreement, the GM/Hughes Separation Agreement, the GM/Hughes Tax Agreements, the EchoStar/Hughes Employee Matters Agreement ("EchoStar/Hughes Employee Matters Agreement") entered into by and between EchoStar and Hughes concurrently with the execution and delivery of the Agreement, in the form attached as Exhibit I to the Merger Agreement, the GM/Hughes Intellectual Property Agreement, the GM/Hughes Special Employee Items Agreement (as defined in the GM/Hughes Separation Agreement), the Registration Rights Letter Agreement, the EchoStar Controlling Stockholder Registration Rights Agreement ("EchoStar Controlling Stockholder Registration Rights Agreement") to be entered into by and among Hughes, EchoStar and the EchoStar Controlling Stockholder as contemplated by the Registration Rights Letter Agreement, the GM Pension Plans Registration Rights Agreement to be entered into by and between Hughes and the GM Pension Plans (or the trustee therefor) as contemplated by the Registration Rights Letter Agreement, the GM Registration Rights Agreement to be entered into by and between Hughes and

GM as contemplated by the Registration Rights Letter Agreement and all other agreements contemplated hereby or thereby to which Hughes is (or will be) a party.

Section 3.3. Spin-Off/Merger Registration Statement, GM Proxy/Consent Solicitation Statement, EchoStar Information Statement and GM Debt/Equity Exchange Registration Statement. None of the information provided by or on behalf of Hughes or any Hughes Affiliate (except to the extent it constitutes information provided by or on behalf of GM or any GM Affiliate) for inclusion in (a) the Spin-Off/Merger Registration Statement, at the time it becomes effective, (b) the GM Proxy/Consent Solicitation Statement, at the date of mailing and at the date of voting or consent and approval with respect thereto, (c) the EchoStar Information Statement, at the date of mailing, and (d) any GM Debt/Equity Exchange Registration Statement, at the time it becomes effective, shall contain any untrue statement of a material fact or omit to state any material fact required to be stated therein or necessary in order to make the statements therein, in light of the circumstances under which they are made, not misleading. The information in the Spin-Off/Merger Registration Statement, the GM Proxy/Consent Solicitation Statement, the EchoStar Information Statement and any GM Debt/Equity Exchange Registration Statement provided by or on behalf of Hughes or any Hughes Affiliate (except to the extent it constitutes information provided by or on behalf of GM or any GM Affiliate) will comply as to form in all material respects with the provisions of the Securities Act and the Exchange Act. No representation or warranty is made by Hughes in this Section 3.3 with respect to statements made or incorporated by reference therein based on information provided by or on behalf of GM or EchoStar for inclusion in the Spin-Off/Merger Registration Statement, the GM Proxy/Consent Solicitation Statement, the EchoStar Information Statement or any GM Debt/Equity Exchange Registration Statement.

Section 3.4. Tax Representations. Hughes currently believes that it will be able to make and certify the statements set forth in Exhibit E to the Merger Agreement and to make any representations, warranties or covenants which are reasonably likely to be requested by the IRS or GM in connection with the Ruling Request.

## ARTICLE 4

### REPRESENTATIONS AND WARRANTIES OF ECHOSTAR

In order to induce GM and Hughes to enter into this Agreement, EchoStar hereby represents and warrants to GM and Hughes as follows, except as specifically described in EchoStar's annual report on Form 10-K for the fiscal year ended December 31, 2000 (the "EchoStar 10-K"), EchoStar's quarterly report on Form 10-Q for the fiscal quarter ended September 30, 2001 (the "EchoStar 10-Q") and all other reports, filings, registration statements and other documents filed by EchoStar with the SEC after September 30, 2001 and prior to the date hereof (as such documents have been amended since the time of their filing and prior to the date hereof), all of which are of public record.

Section 4.1. Organization and Standing. Each of EchoStar and EchoStar's Significant Subsidiaries is a corporation validly existing and in good standing under the laws of the State of Nevada, with respect to EchoStar, and (to the extent that such concepts or equivalent concepts are recognized in such jurisdictions) under the laws of its state or other jurisdiction of incorporation, with respect to EchoStar's Significant Subsidiaries, in each case with all corporate power to carry on its business as now conducted. Each of EchoStar and EchoStar's Subsidiaries is duly qualified to do business and is in good standing (to the extent such concepts or equivalent concepts are recognized in such jurisdictions) in each jurisdiction in which the nature of the business conducted by it or the property it owns, leases or operates makes such qualification necessary, except where the failure to be so qualified or in good standing in such jurisdiction could not reasonably be expected to have a EchoStar Material Adverse Effect (as defined in the Merger Agreement) or have a material adverse impact on its ability to consummate the transactions contemplated by the EchoStar Transaction Agreements.

Section 4.2. Corporate Power and Authority. EchoStar has (or will have prior to execution thereof) all requisite corporate power and authority to enter into the EchoStar Transaction Agreements and to consummate the transactions contemplated thereby. The execution and delivery of the EchoStar Transaction Agreements by EchoStar and the consummation of the transactions contemplated thereby to be effected by EchoStar have been (or will be prior to execution and delivery thereof) duly authorized by all necessary corporate action on the part of EchoStar. Each of the EchoStar Transaction Agreements has been (or will be) duly executed and delivered by EchoStar and, assuming the due authorization, execution and delivery by the other parties thereto, constitutes (or will constitute when executed) the legal, valid and binding obligations of EchoStar, enforceable against it in accordance with its terms, except as enforceability may be limited by bankruptcy, similar laws of debtor relief and general principles of equity.

For the purposes of this Agreement, (a) "EchoStar Transaction Agreements" means this Agreement, the Merger Agreement, the Merger Commitment Letter, the Merger Financing Agreement, the PanAmSat Financing Agreement, the PanAmSat Stock Purchase Agreement, the Registration Rights Letter Agreement, the EchoStar Controlling Stockholder Registration Rights Agreement, the EchoStar/Hughes Employee Matters Agreement, the Supplemental Agreement and all other agreements contemplated hereby or thereby to which EchoStar is (or will be) a party; and (b) "Transaction Agreements" means, collectively, the GM Transaction Agreements, the Hughes Transaction Agreements and the EchoStar Transaction Agreements.

Section 4.3. Spin-Off/Merger Registration Statement, GM Proxy/Consent Solicitation Statement, EchoStar Information Statement and GM Debt/Equity Exchange Registration Statement. None of the information provided by or on behalf of EchoStar or any EchoStar Affiliate (as defined below) for inclusion in (a) the Spin-Off/Merger Registration Statement, at the time it becomes effective, (b) the GM Proxy/Consent Solicitation Statement, at the date of mailing and at the date of voting or consent and approval with respect thereto, (c) the EchoStar Information Statement, at the date of mailing, or (d) any

GM Debt/Equity Exchange Registration Statement, at the time it becomes effective, shall contain any untrue statement of a material fact or omit to state any material fact required to be stated therein or necessary in order to make the statements therein, in light of the circumstances under which they are made, not misleading. The information in the Spin-Off/Merger Registration Statement, the GM Proxy/Consent Solicitation Statement, the EchoStar Information Statement and any GM Debt/Equity Exchange Registration Statement provided by or on behalf of EchoStar or any EchoStar Affiliate will comply as to form in all material respects with the provisions of the Securities Act and the Exchange Act. No representation or warranty is made by EchoStar in this Section 4.3 with respect to statements made or incorporated by reference therein based on information provided by or on behalf of GM or Hughes for inclusion in the Spin-Off/Merger Registration Statement, the GM Proxy/Consent Solicitation Statement, the EchoStar Information Statement or any GM Debt/Equity Exchange Registration Statement.

Section 4.4. Tax Representations. EchoStar currently believes that it will be able to make and certify the statements set forth in Exhibit D to the Merger Agreement and to make any representations, warranties or covenants which are reasonably likely to be requested by the IRS in connection with the Ruling Request.

Section 4.5. Merger Agreement Representations and Warranties. Except to the extent repeated in this Agreement, EchoStar hereby represents and warrants to GM with respect to each of the matters set forth in Article 3 of the Merger Agreement to the full extent set forth therein as though such representations and warranties were made by EchoStar to GM in this Agreement.

## ARTICLE 5

### COVENANTS AND AGREEMENTS OF THE PARTIES

#### Section 5.1. Mutual Covenants.

(a) General. Each of the parties hereto shall use commercially reasonable efforts (except where a different efforts standard is specifically contemplated by the GM Transaction Agreements, the Hughes Transaction Agreements or the EchoStar Transaction Agreements, in which case, such different standard shall apply) to take all actions and to do all things necessary, proper or advisable to consummate as soon as reasonably practicable the transactions contemplated by the GM Transaction Agreements, the Hughes Transaction Agreements and the EchoStar Transaction Agreements, including with respect to the satisfaction of each and all of the conditions set forth in Section 1.3 of this Agreement, Article 6 of the GM/Hughes Separation Agreement and Article 6 of the Merger Agreement, in each case subject to the terms and conditions of such agreement.

(b) Notification of Certain Matters. Each of the parties hereto shall give prompt notice to the others of (i) the occurrence or non-occurrence of any event the occurrence or non-occurrence of which would cause such party's representations or warranties contained in this Agreement to be untrue or inaccurate at or prior to the Merger Effective Time, and (ii) any material failure of such party to comply with or satisfy any covenant, condition or agreement to be complied with or satisfied by it hereunder; provided, however, that the delivery of any notice pursuant to this Section 5.1(b) shall not limit or otherwise affect the remedies available hereunder to any of the parties.

(c) The Ruling Request. As soon as reasonably practicable after the date of this Agreement, GM shall submit to the Internal Revenue Service of the United States Department of the Treasury (the "IRS") a request (the "Ruling Request") for (i) the Ruling, (ii) an AOL Section 355(e) Ruling (as defined below), (iii) a Remaining Shares Section 355(e) Ruling (as defined below), (iv) a ruling that no gain or loss will be recognized by GM or any GM Affiliate on the transfer of GM Class H Common Stock or Hughes Class C Common Stock in any GM Debt/Equity Exchange, and (v) any other ruling in connection with the Spin-Off that GM, in consultation with EchoStar, deems to be appropriate. The initial Ruling Request and any supplemental materials submitted to the IRS relating thereto (each, an "IRS Submission") shall be prepared by GM. EchoStar shall cooperate fully with GM in the preparation of the Ruling Request and any other IRS Submission and shall make its officers, employees, advisors and others associated with EchoStar available for meetings with GM and the IRS as requested by GM. EchoStar shall provide GM with such representations and warranties and such covenants as may be requested by the IRS or reasonably requested by GM in connection with the Ruling Request or any other IRS Submission. Unless the Merger Agreement has been terminated, GM shall provide EchoStar with a reasonable opportunity to review and comment on each IRS Submission prior to the filing of such IRS Submission with the IRS; provided that GM may redact from any IRS Submission any information ("Redactable Information") that (A) GM, in its good faith judgment, considers to be confidential and not germane to the obligations of EchoStar or its affiliates under the EchoStar Transaction Agreements or the obligations after the Merger Effective Time of Hughes or its affiliates under the Hughes Transaction Agreements and (B) is not (and is not reasonably expected to become) a part of any other publicly available information, including any non-confidential filing. Unless the Merger Agreement shall have been terminated, no IRS Submission shall be filed with the IRS unless, prior to such filing, EchoStar shall have agreed as to the form and substance of such IRS Submission to the extent that the IRS Submission (I) includes statements or representations relating to facts that are or will be under the control of EchoStar or any of its affiliates or (II) is relevant to (and the rulings described in clauses (i) through (iii) of the first sentence of this Section shall be considered to be relevant), or creates, any actual or potential obligations of, or limitations on, EchoStar or any of its affiliates (including Hughes for periods after the Spin-Off Effective Time), including any such obligations of, or limitations on, EchoStar or its affiliates or, after the Merger Effective Time, Hughes or its affiliates under the Hughes Transaction Agreements and the EchoStar Transaction Agreements, as applicable; provided, however, that if the IRS requests same day filing of an IRS Submission that does not include any material issue or statement, then GM is required only to make a good faith effort to notify EchoStar' representatives and to give such representatives an opportunity to review and

comment on such IRS Submission prior to filing it with the IRS. Unless the Merger Agreement is terminated, GM shall provide EchoStar with copies of each IRS Submission as filed with the IRS promptly following the filing thereof; provided that GM may redact any Redactable Information from the IRS Submission. Neither GM nor GM's representatives shall conduct any substantive communications with the IRS regarding any issue arising with respect to the Ruling Request, including meetings or conferences with IRS personnel, whether telephonically, in person or otherwise, without first notifying EchoStar or EchoStar's representatives and giving EchoStar (or EchoStar's representatives) a reasonable opportunity to participate, and a reasonable number of EchoStar's representatives shall have an opportunity to participate in all conferences or meetings with IRS personnel that take place in person, regardless of the nature of the issues expected to be discussed. Each of GM, Hughes and EchoStar agrees to use its best efforts to obtain the Ruling and the other rulings set forth in the Ruling Request. If, with respect to a convertible debt obligation issued by EchoStar that is outstanding as of the date hereof, or issued by EchoStar after the date hereof but prior to the receipt of regulatory approval of the Merger, in each case that (i) is not convertible into equity of EchoStar or any other Person for at least two (2) years after the Spin-Off Effective Time and (ii) has a conversion price that (at the time of the filing of the Ruling Request for an existing convertible debt obligation and at the time of issuance for a newly issued convertible debt obligation) exceeds the then-market value of the underlying stock into which it is convertible by at least five percent (5%), then GM shall seek to obtain (and EchoStar shall cooperate with GM in connection therewith, in accordance with this Section 5.1(c)) a ruling as to the treatment of the convertible debt obligation under Section 355(e) of the Code; provided that, in the reasonable judgment of GM, seeking such a ruling would not significantly and unreasonably delay or interfere with the ability of GM to obtain the Ruling and the other rulings requested in the Ruling Request or with the completion of the Spin-Off and the Merger, but, in such a case, without prejudice to the rights of Hughes, after the Merger Effective Time, to pursue a Subsequent Ruling under Section 6.3(b)(iv).

(d) Tax-Free Treatment. Each of GM, Hughes and EchoStar shall take the position for all purposes that the Merger qualifies as a reorganization pursuant to Section 368(a) of the Code (unless and until Hughes and GM fail to obtain the Section 368 Opinion (as defined below) as of the Merger Effective Time), and that the Spin-Off qualifies as a distribution of Hughes stock to GM stockholders with respect to which no gain or loss will be recognized by GM or any GM Affiliate, Hughes or their respective stockholders pursuant to Section 355 and related provisions of the Code.

(e) Notifications to and Approvals of Governmental Authorities. Each of the parties hereto shall use commercially reasonable efforts (except where a different efforts standard is specifically contemplated by the GM Transaction Agreements, the Hughes Transaction Agreements or the EchoStar Transaction Agreements, in which case, such different standard shall apply) to promptly make all filings with any foreign, federal, state or local Governmental Authorities as are required of such party to consummate the transactions contemplated by the GM Transaction Agreements, the Hughes Transaction Agreements and the EchoStar Transaction Agreements, except for such filings which the failure to make would not reasonably be expected to have a Hughes Material Adverse Effect or an EchoStar Material Adverse Effect

or have a material adverse impact on the ability of any party to consummate the transactions contemplated by the GM Transaction Agreements, the Hughes Transaction Agreements and the EchoStar Transaction Agreements, as applicable, and shall supply to the other parties, and to any foreign, federal, state or local Governmental Authority, any information reasonably necessary to make effective the transactions contemplated by the GM Transaction Agreements, the Hughes Transaction Agreements and the EchoStar Transaction Agreements.

(f) Director and Officer Indemnification.

(i) The certificate of incorporation and by-laws of Hughes, from and after the Spin-Off Effective Time, shall contain indemnification provisions, with respect to directors and officers of Hughes prior to the Spin-Off Effective Time, as shall be mutually agreed among the parties hereto. Such indemnification provisions shall not be amended, repealed or otherwise modified for a period of six (6) years after the Spin-Off Effective Time in any manner that would adversely affect the rights thereunder of individuals who at any time prior to the Spin-Off Effective Time were directors or officers of Hughes in respect of actions or omissions occurring at or prior to the Spin-Off Effective Time, unless and to the extent that such modification is required by law.

(ii) For six (6) years after the Spin-Off Effective Time, Hughes (and any successor corporation) shall indemnify, defend and hold harmless to the fullest extent permitted under the DGCL the present and former officers and directors of Hughes and its Subsidiaries (each an "Indemnified Party") against all losses, claims, damages, liabilities, fees and expenses (including reasonable fees and disbursements of counsel and judgments, fines, losses, claims, liabilities and amounts paid in settlement (provided that any such settlement is effected with the written consent of Hughes)) in connection with any claim, suit, action, proceeding or investigation (a "Claim") that is, in whole or in part, based on or arising out of the fact that such Person is or was a director or officer of Hughes or its Subsidiaries and arising out of actions or omissions by such director or officer in his or her capacity as such occurring at or prior to the Spin-Off Effective Time (and shall pay expenses in advance of the final disposition of any such action or proceeding to each Indemnified Party to the fullest extent permitted under the DGCL, upon receipt from the Indemnified Party to whom expenses are advanced of the undertaking to repay such advances contemplated by Section 145(e) of the DGCL).

(iii) Without limiting the generality of the foregoing, in the event that any Claim is brought against any Indemnified Party after the Spin-Off Effective Time, (A) the Indemnified Parties may retain Hughes' regularly engaged independent legal counsel or other independent legal counsel reasonably acceptable to Hughes and (B) Hughes shall pay all reasonable fees and expenses of such counsel for the Indemnified Parties promptly as statements therefor are received, provided that Hughes shall not be liable for any settlement of any Claim effected without its written consent. Any Indemnified Party wishing to claim indemnification under this Section 5.1(f) upon learning of any such Claim shall notify Hughes (although the failure so to notify Hughes shall not relieve Hughes from any liability which Hughes may have under this

Section 5.1(f), except to the extent such failure materially prejudices Hughes' position with respect to such Claim), and shall deliver to Hughes the undertaking contemplated by Section 145(e) of the DGCL. The Indemnified Parties as a group may retain no more than one law firm (in addition to local counsel) to represent them with respect to each such matter unless there is, under applicable standards of professional conduct (as determined by counsel to the Indemnified Parties), an actual conflict between the interests of any two or more Indemnified Parties, in which event such additional counsel as may be required may be retained by the Indemnified Parties.

(iv) Each Indemnified Party shall have rights as a third party beneficiary under this Section 5.1(f) as separate contractual rights for his or her benefit, and such rights shall be enforceable by such Indemnified Party, his or her heirs and personal representatives.

(v) This Section 5.1(f) shall survive the consummation of the Merger and the Merger Effective Time, and shall be binding on all successors and assigns of Hughes.

(vi) No amounts shall be owed or payable by Hughes, pursuant to this Section 5.1(f), in connection with any Claims brought, directly or indirectly, against any Hughes Covered Person (as defined in Section 5.2(b)(i) hereof) in the event that coverage for such amounts is available under the GM policies, maintained in accordance with Section 5.2(b) hereof, for such Claims.

(g) Preparation and Filing of the Spin-Off/Merger Registration Statement, the GM Proxy/Consent Solicitation Statement and the EchoStar Information Statement.

(i) As soon as reasonably practicable after the date of this Agreement, the parties shall cooperate fully with each other to jointly prepare the Spin-Off/Merger Registration Statement (which shall include each of the GM Proxy/Consent Solicitation Statement and the EchoStar Information Statement). Hughes shall take all commercially reasonable action in order to cause the Spin-Off/Merger Registration Statement, including any and all amendments thereto, to be executed and filed with the SEC and submitted or filed with any applicable foreign and state securities law regulators in accordance with Applicable Law, in each case as soon as reasonably practicable after the date hereof. The parties shall promptly provide each other with copies of, and consult with each other and prepare written responses with respect to, any written comments received from the SEC and other state and foreign securities regulators with respect to the Spin-Off/Merger Registration Statement and promptly advise each other of any oral comments received from the SEC and other state and foreign securities regulators, and, to the extent reasonably practicable under the circumstances, shall consult with each other and offer a reasonable opportunity to appropriate representatives of the other parties to participate in any telephone calls with the SEC or any state or foreign regulator the purpose of which is to discuss comments made by such regulators. The parties shall respond to any comments made by the SEC or any state or foreign regulator as soon as reasonably practicable following the receipt of such comments. No amendment or supplement to the Spin-Off/Merger Registration Statement (or any related materials) will be filed or submitted to the

SEC or any state or foreign regulator or publicly disseminated by any of the parties without the approval of the other parties, which shall not be unreasonably withheld or delayed. The parties shall consult and coordinate with one another in determining the Mailing Date, and GM shall keep EchoStar reasonably informed regarding the state and federal securities regulatory process. The parties shall use commercially reasonable efforts to cause the Spin-Off/Merger Registration Statement to be declared effective by the SEC and to be approved by all other applicable foreign and state securities law regulators in accordance with Applicable Law. The parties shall take all other actions with respect to the preparation and delivery of the Spin-Off/Merger Registration Statement as required by Section 1.2 hereof.

(ii) EchoStar shall promptly furnish Hughes and GM with all information concerning EchoStar or any Subsidiary of EchoStar as may be necessary or reasonably requested by GM or Hughes for inclusion in the Spin-Off/Merger Registration Statement. GM and Hughes shall promptly furnish EchoStar with all information concerning GM, Hughes, any Subsidiary of Hughes (other than PanAmSat and Hughes Software Systems Limited ("HSSL")) and, to the extent obtainable by GM or Hughes using commercially reasonable efforts, PanAmSat and HSSL, as may be necessary or reasonably requested by EchoStar for inclusion in the Spin-Off/Merger Registration Statement. If at any time prior to the Merger Effective Time, any information pertaining to EchoStar or any Subsidiary of EchoStar contained in or omitted from the Spin-Off/Merger Registration Statement makes the statements contained therein false or misleading, EchoStar shall promptly inform Hughes and GM and promptly provide the information necessary to make the statements contained therein not false and misleading. If at any time prior to the Merger Effective Time, any information pertaining to GM, Hughes or any Subsidiary of Hughes (other than PanAmSat or HSSL) contained in or omitted from the Spin-Off/Merger Registration Statement makes the statements contained therein false or misleading, Hughes and GM shall promptly inform EchoStar and promptly provide the information necessary to make the statements contained therein not false and misleading. If at any time prior to the Merger Effective Time, any information pertaining to PanAmSat or HSSL contained in or omitted from the Spin-Off/Merger Registration Statement, to the knowledge of GM or Hughes, makes the statements contained therein false or misleading, GM or Hughes shall promptly inform the other and EchoStar and shall use commercially reasonable efforts to promptly provide the information necessary to make the statements contained therein not false and misleading.

(iii) EchoStar shall promptly furnish GM with all information concerning EchoStar or any Subsidiary of EchoStar, as may be necessary or reasonably requested by GM for inclusion in the GM Proxy/Consent Solicitation Statement. Hughes shall promptly furnish GM with all information concerning Hughes, any Subsidiary of Hughes (other than PanAmSat and HSSL) and, to the extent obtainable by GM or Hughes using commercially reasonable efforts, PanAmSat and HSSL, as may be necessary or reasonably requested by GM for inclusion in the GM Proxy/Consent Solicitation Statement. GM and Hughes shall promptly furnish EchoStar with all information concerning GM, Hughes, any Subsidiary of Hughes (other than PanAmSat and HSSL) and, to the extent obtainable by GM or Hughes using commercially reasonable efforts, PanAmSat and HSSL, as may be necessary or reasonably requested for inclusion by EchoStar in the GM Proxy/Consent Solicitation Statement. If at any time prior